



*Final
Report*

County of San Diego, California

Auditor and Controller

Department of Parks and Recreation Officers' Transition Audit

Office of Audits & Advisory Services

October 2009
Report No. A09-054



COUNTY OF SAN DIEGO

INTER-DEPARTMENTAL CORRESPONDENCE

October 13, 2009

TO: Gary Erbeck, Interim Director
Parks and Recreation

FROM: Kenneth J. Mory
Chief of Audits

FINAL REPORT: DEPARTMENT OF PARKS AND RECREATION OFFICERS' TRANSITION AUDIT

Enclosed is our report on the Department of Parks and Recreation Officers' Transition Audit (Bahl – Erbeck). The report includes audit findings and recommendations.

We have reviewed your responses and have attached them to the audit report. The actions taken and planned, in general, are responsive to the findings and recommendations in the report.

If you have any immediate concerns about the report, please contact me at (858) 495-5662.

KENNETH J. MORY
Chief of Audits

AUD:KMW:aps

Enclosure

- c: Chandra Wallar, Deputy Chief Administrative Officer, Land Use and Environment Group
Donald F. Steuer, Chief Financial Officer
Tracy M. Sandoval, Assistant Chief Financial Officer/Auditor and Controller
Brian Albright, Director, Parks and Recreation
Kathleen Flannery, Group Finance Director, Land Use and Environment Group

DEPARTMENT OF PARKS AND RECREATION OFFICERS' TRANSITION AUDIT

In accordance with the County Charter, the Office of Audits & Advisory Services (OAAS) has completed an officers' transition audit for the Department of Parks and Recreation (DPR). The OAAS conducts such an audit when County officers leave and assume office to determine if certain affidavits, authorizations, disclosures, and reports are properly completed and processed. These actions provide for an orderly transition of officers, establish proper accountability for public assets, and promote the County's General Management System (GMS) including its key disciplines of accountability, fiscal stability, regional leadership, and continuous improvement.

Accordingly, we audited the reports filed by the outgoing and incoming officers of the DPR. Renee Bahl and Gary Erbeck were required to file outgoing and incoming officers' reports, respectively, as of May 31, 2009. The reports are the responsibility of the officer who signs them. Our purpose is to provide an opinion on the reports based upon our audit.

AUDIT SCOPE AND METHODOLOGY

The audit scope was to determine whether the outgoing and incoming officers took appropriate actions and filed complete and reasonably accurate reports as County officers in compliance with California Codes and the County's regulatory requirements as explained in the instruction letter provided to each officer. Tests were performed in accordance with auditing standards prescribed by the Institute of Internal Auditors, Inc., as required by California Government Code, Section 1236 to determine if there is reasonable assurance that the information provided was accurately presented.

AUDIT RESULTS

In our opinion, the outgoing and incoming officers filed complete and reasonably accurate reports in compliance with California law and the County's regulatory requirements in connection with an officer's transition, except for the following items:

Finding I: Asset Reported but Not Found

A test of capitalized equipment identified that a *Copier-Savin 7500* (Tag No. 23911600) with a value of \$9,433 was listed on the Fixed Asset Register Report at the Lindo Lake Park site but could not be located. The County's Administrative Manual (Admin Manual) states that County officers and department head are responsible for identification and control of capital assets, the filing of inventories and the submission of reports. It also requires each department to take a physical inventory triennially in accordance with the Year End Manual.

Finding II: Decals on Minor Equipment Missing

OAAS tested a sample of five minor equipment items and noted that "Property of the County of San Diego" decals were not affixed to any. According to the Admin Manual, departments should establish a control system over all minor equipment and affix unnumbered "County of

San Diego" decals to these assets. Also, the Year-End Manual states that it is each department's responsibility to ensure that all minor equipment items are properly identified with a decal. Property decals should be placed in a location where they may be readily seen without disfiguration of the property.

Finding III: Materials and Supplies Not Listed by Location

DPR did not report materials and supplies at all locations. Of the 37 locations within the department level number, A7530, only one location, the El Cajon Operation (ECOPS) Warehouse, was reported. Additionally, no Materials and Supplies Certificates were completed for the other six department level numbers within DPR (A9450-9456). The Year-End Manual requires every department to file a "Materials and Supplies/Minor Equipment and Books Inventory" by Location Report (Form YE-2d) each year. Also, the Year-End Manual requires that actual physical inventory counts be listed on the Inventory Listing Sheet (Form AUD179) when a biannual physical inventory is taken when the total balance exceeds \$5,000.

RECOMMENDATIONS

OAAS recommends that the DPR take the following actions to properly safeguard and account for the County assets in accordance with the Admin Manual:

1. Make the necessary adjustments to the Inventory of Capitalized Equipment to correct the discrepancy reported in this audit;
2. Ensure that decals are affixed to all minor equipment; and
3. Implement procedures to ensure that materials and supplies are tracked and reported at each location. Procedures should include maintaining a detail listing of materials and supplies when the total balance is over \$5,000.

COMMENDATION

The Office of Audits & Advisory Services commends and sincerely appreciates the courteousness and cooperation extended by the Department of Parks and Recreation's officers and staff throughout this audit.

AUDIT TEAM

Kathleen Whitehead, Auditor I

DEPARTMENT RESPONSE



County of San Diego

DEPARTMENT OF PARKS AND RECREATION

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October 5, 2009

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OFFICE OF AUDITS &
ADVISORY SERVICES

TO: Kenneth J. Mory, Chief of Audits
Auditor and Controller (O305)

FROM: Brian Albright, Director 
Department of Parks and Recreation (O29)

DEPARTMENT OF PARKS & RECREATION'S RESPONSE TO THE OFFICER'S TRANSITION AUDIT RECOMMENDATIONS

Attached please find the Department of Parks and Recreation's (DPR) response to the Officer's Transition Audit dated July 7, 2009.

DPR acknowledges the findings in the audit relative to process improvement. The department has implemented measures to address all recommendations stated in the final draft report.

If you have any questions, please feel free to contact me at (858) 966-1301.

Attachment

cc: Chandra Wallar, Deputy Chief Administrative Officer; Donald F. Steuer, Chief Financial Officer; Tracy M. Sandoval, Assistant Chief Financial Officer; Kathleen Flannery, Group Finance Director; Renee Hilton, Assistant Director



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DEPARTMENT OF PARKS AND RECREATION'S RESPONSE TO THE OFFICER'S TRANSITION AUDIT RECOMMENDATIONS

Recommendation #1

Make the necessary adjustments to the Inventory of Capitalized Equipment to correct the discrepancy reported in this audit.

Response: The department has implemented this recommendation when we received the finding and is reflected in the Erbeck-Albright transition documents. Additionally, we will ensure equipment disposal forms are properly completed to include costs of transferred items with proper signatures of receiving department personnel.

Recommendation #2

Ensure that decals are affixed to all minor equipment

Response: The department has ordered decals and will ensure that all minor equipment listed in the inventory and all future minor equipment purchases have unnumbered "County of San Diego" decals affixed to them.

Recommendation #3

Implement procedures to ensure that materials and supplies are tracked and reported at each location. Procedures should include maintaining a detail listing of materials and supplies when the total balance is over \$5,000.

The department has developed a tracking tool in the shared drive for each location which contains detail listing of Materials and Supplies that are issued from the El Cajon Operations Warehouse and any purchases made with the procurement card. In addition, we will establish a step- by- step procedure for completing the tool including the Materials and Supplies criteria as defined in the Administrative Manual/Year-End Manual.